

Dr. Marty Ewing

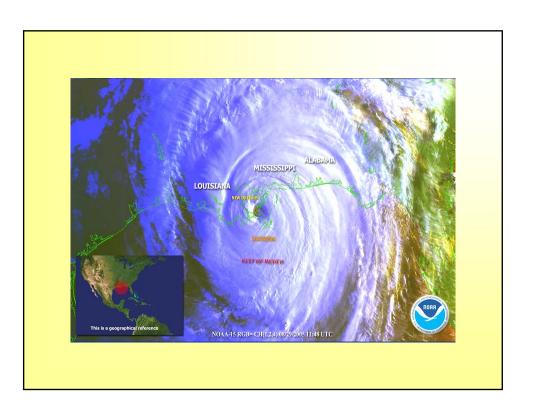
Quality Assurance/Technical Services

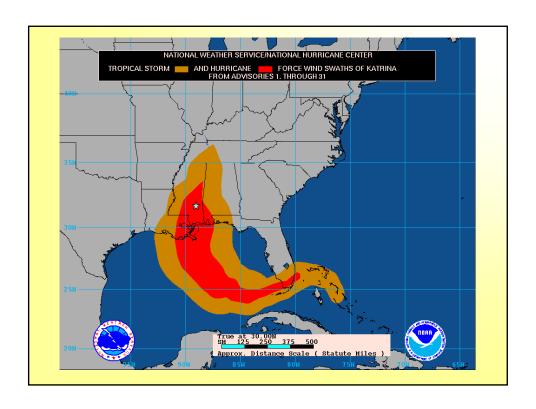
Sanderson Facilities

- Four Processing Plants in South Miss and One in South Louisiana
- Four Hatcheries All in South MS
- Three Feed Mills In South MS
- ~Six Hundred Contract Poultry Houses
- Slaughter approximately 4 million/week

Standard Hurricane Preparations

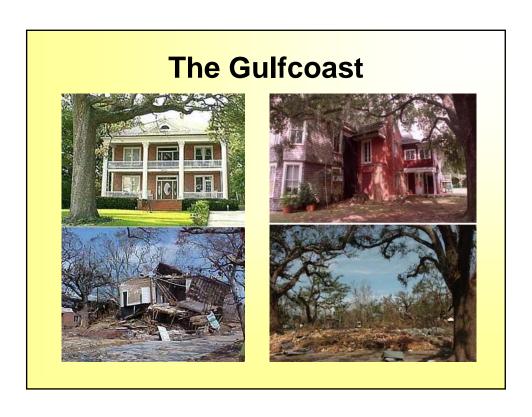
- Fill all fuel tanks Gas and Diesel
- Check ALL Generators: Hatcheries, Plants, and Poultry Houses
- Deliver Feed in Advance
- Pick up Hatching eggs
- Communicate with growers: Feed, Fuel, Drainage
- Plant Closures: Decision within 24 hours – Notify District Office





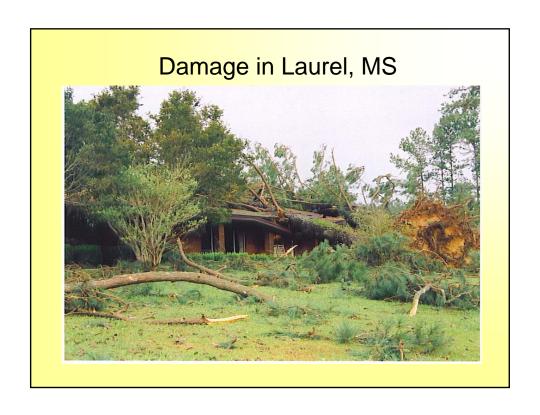
After Katrina

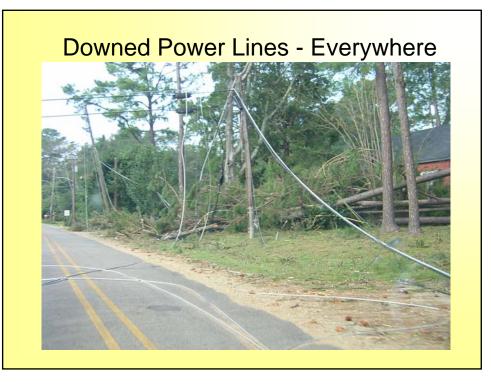
- No Electric Power South of I-20
- No Phone Service/Communications
- No Water in most areas
- No Gas or Diesel fuel
- Curfews ordered in most localities
- Extent of devastation: South AL, MS, LA 90,000+ Miles











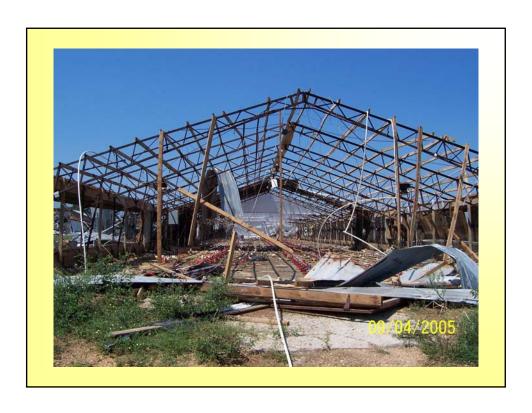
The Good News

- No Loss of Life to any Sanderson Farms Employees, Growers, or Contractors
- No Major Damage to Company Facilities – Feed Mills, Hatcheries, or Processing Plants

The Bad News

- 71 poultry houses total loss
- 90 more houses substantial damage
- Virtually every farm in Mississippi sustained some damage
- If houses were partially damaged but birds were still contained, birds were moved to other houses or other farms
- Injured and unconfined birds euthanized







BIRD LOSSES

- Lost 3 million birds outright
- Lost additional 5 million birds due to reduced placements and egg sets

HOUSING/MANAGEMENT

- Many houses not able to tunnel ventilate - Curtain, roof, or wall damage
- Some heat losses in older birds Not acclimated to heat
- Fed a single ration and could not pelletize
- Birds feed twice/day until mid-September, slowly put back on full feed

Processing Plants

- Concerns about flood or water damage
- Power Outages: Potential temperature abuse – Disposed of 4.7 millions lbs. of product in coolers and cold storage.
- Re-open Plants: Assure Water Potability McComb and Hammond Sat. 9/3/05 Collins and Hazlehurst Sun 9/4/03 Laurel Wed. 9/7/05

Employee attendance low (<50% or worse)

- Meals provided
- Free ice
- Sanderson HR personnel trained to file FEMA and Red Cross claims
- Provided fuel Employees and Growers
- Industries in region continue to suffer from reduced labor force

Bird Condition

- Slaughter age from low 40's to 70+ days
- Increase variability multiple ages flocks
- Overall increase in condemnation & trim
- Slight ↑ Inflammatory process
- Slight ↑ in Zero Tolerance deviations flock related.

Salmonella

- Concerned about maintaining Salmonella Performance Standard
- USDA started fifty-one day windows in all plants in region – All met the Performance Standard
- Special FSIS team sent to survey plants Results to be published
- Paired samples from FSIS study:
 No Salmonella positive post-chill

